

23 JUN 1981

MEMORANDUM FOR: Chief, Plans and Programs Staff

FROM: [REDACTED]

Chief, Procurement Management Staff

SUBJECT: CORE

1. In accordance with your telephonic request of yesterday, we have attempted to quantify those projects listed in our 15 June 1981 submittal for CORE. This has been extremely difficult, as in many cases the end result has been improved operations in the area of faster and more accurate data collection, or, perhaps as important, faster payment for vendors. While these actions contribute greatly to enhancement of our management operations, putting a dollar tag on them is almost impossible.

2. Our first project mentioned was "Centralization of CONIF," and under this major caption we listed five subcategories. Prior to centralization of CONIF, data was input by each of the decentralized contract components and by Procurement Division. As many as [REDACTED] different input persons may have been involved. The data was sometimes delayed as a low priority item and was not put into the system until too late to be helpful. There was also extensive inaccuracies in the data that was finally input. Our centralized data input has been accomplished by the addition of [REDACTED] data input clerks at the GS-06 level. They have become specialists in their area and have maintained input on a current basis with a high degree of accuracy, which represents a quantum leap over the integrity of our former input system. We estimate that to have achieved the level of integrity and operating efficiency currently existing in our CONIF system, we probably would have had to add [REDACTED] dedicated part-time personnel distributed among the various decentralized inputting components. We, therefore, have realized a savings of [REDACTED] employees as the GS-06 level, which is equivalent to \$42,000 per year.

3. The second major caption in our memorandum was "The Automated Interface of CONIF with the GAS System." Prior to taking this action, as many as 200 exchanges of correspondence per month were occurring between the Office of Finance and the Office of Logistics, which required some type of action, either a correction of data or inputting of additional data. We estimate that 1.5 man-years has been saved between the Offices of Finance and Logistics in this area. At the GS-06 level, this equates to \$21,000.

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4. Our third item titled, "Payment of Vendors," saved substantial time in the payment process. [redacted] of the Office of Finance has indicated that as much as two days of processing time has been reduced from the total processing time for each invoice. We would expect that this item would be picked up and accounted for by the Office of Finance in its contribution to the CORE project.

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5. Our fourth category titled, "Input of IDSB Actions," contributed to a more complete database, but did not account for savings of \$10,000 or more.

6. Our fifth item, which was "Implementation of On-Line Retirement Procedures," to keep database free of settled contracts reduced our database holdings by 50 percent and thereby reduced processing time for queries probably by at least 50 percent. It also made room in our memory for more storage and thereby negated the possibility of the database becoming unmanageable and processing coming to a standstill thereby necessitating acquisition of a new system. We understand that design and implementation of such a system might cost \$200,000 to \$300,000.

7. Item "F," which was "Development of a Translating Table," accounted for 360 man-hours savings per year, but this does not add up to the \$10,000 savings established as a threshold.

8. The above estimates are SWAGS in some regards, but are our best shot at fulfilling this requirement.

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cc: DD/L